IN THE UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF PENNSYLVANIA

JANE HIRSCHHORN, Plaintiff/Relator v. **CHURCH & DWIGHT CO., INC.**, Defendant	)))))	2:10-CV-1156-JF
SAN FRANCISCO TECHNOLOGY, INC., Plaintiff/Relator v. **CHURCH & DWIGHT CO., INC.,** Defendant	)))))	2:10-CV-3918-JF

CHURCH & DWIGHT'S
MOTION TO DISMISS OR FOR A RULE TO SHOW CAUSE

These two cases overlap, as discussed in the accompanying Memorandum of Law, and a motion to consolidate them remains pending before the Court in both cases. *See* no. 10-cv-1156, Docket #15; no. 10-cv-3918, Docket #2.

Under Federal Rules of Civil Procedure 9(b), 8(a) and 12(b)(6), defendant Church & Dwight Co., Inc. moves to dismiss both of these cases. Alternatively, if the Court declines to dismiss these cases at this time, Church & Dwight asks the Court to require each plaintiff/relator to show cause why her/its case should not be dismissed in favor of the other case.

Respectfully submitted,

Dated: *October 25, 2010*

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MEMORANDUM OF LAW
IN SUPPORT OF CHURCH & DWIGHT'S
MOTION TO DISMISS OR FOR A RULE TO SHOW CAUSE

I. INTRODUCTION

The Court should dismiss both of these false patent marking cases. Neither the *San Francisco Technology, Inc.* ("*SF Tech*") complaint nor the *Hirschhorn* complaint meets the Rule 9(b) requirement for pleading fraud in a false marking case. In addition, the *SF Tech* complaint suffers two other fatal defects: it does not adequately identify the Church & Dwight products that were allegedly falsely marked, nor does it plead that their marking was actually false.

If the Court declines to dismiss these cases at this time, then the Court should require each plaintiff/relator to show cause why its/her case should not be dismissed in favor of the other case. Two different relators cannot both sue Church & Dwight on behalf of the government in two separate *qui tam* cases for the same alleged act of false marking.

II. THE DEVELOPING LAW OF FALSE MARKING

A. The False Marking Statute

The false marking statute, 35 U.S.C. § 292, reads in pertinent part as follows:

> (a) . . . Whoever marks upon, or affixes to, or uses in advertising in connection with any unpatented article the word "patent" or any word or number importing the same is patented, for the purpose of deceiving the public; . . . Shall be fined not more than $500 for every such offense.
>
> (b) Any person may sue for the penalty, in which event one-half shall go to the person suing and the other to the use of the United States.

As the statute shows, "[t]he two elements of a § 292 false marking claim are (1) marking an unpatented article and (2) intent to deceive the public." *Forest Group, Inc. v. Bon Tool Co.*, 590 F.3d 1295, 1300 (Fed. Cir. 2009). The intent element requires that the defendant "consciously desire the result that the public be deceived." *Peguignot v. Solo Cup Co.* 608 F.3d 1356, 1363 (Fed. Cir. 2010).

Although the false marking statute dates to 1842, it was rarely invoked before this year. Within the past year, however, three decisions of the Court of Appeals for the Federal Circuit have created a cottage industry for false marking cases.[1] First, the Federal Circuit has held that the fine of "not more than $500 for every such offense" does not mean up to $500 per *type* of product marked, but instead means up to $500 per *individual item* marked. *Forest Group, Inc. v. Bon Tool Co.*, 590 F.3d 1295, 1304 (Fed. Cir. 2009). Second, the Federal Circuit has held that continuing to mark a product with a patent after the patent has expired can constitute false marking. *Stauffer v. Brooks Bros.* Nos. 2009-1428, -30, -53, 2010 WL 3397419, at *6, 2010 U.S. App. LEXIS 18114, at *17-18 (Fed. Cir. Aug. 31, 2010). Third, the Federal Circuit has held that a relator does not need to be a competitor nor even someone who has suffered any harm; indeed, that a false marking claim can be viable even if no one at all has *ever* suffered any injury-in-fact by the false marking. [2] *Id.*

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[1] Hundreds of these cases are now pending in district courts across the country. *See* http://www.grayonclaims.com/storage/False%20Marking%20Cases.pdf. Many of the lawsuits have been filed by lawyers in their own names, *e.g.*, *Peguignot v. Solo Cup*, 608 F.3d 1356 (Fed. Cir. 2010) (Matthew Pequignot, Esq.); *Stauffer v. Brooks Bros.* Nos. 2009-1428, -30, -53, 2010 WL 3397419, at *6, 2010 U.S. App. LEXIS 18114, at *17-18 (Fed. Cir. Aug. 31, 2010) (Raymond Stauffer, Esq.), or in the names of corporations they formed for the sole purpose of filing such lawsuits, *e.g.*, *San Fran. Tech., Inc. v. Glad Prods. Co.*, No. 10-cv-3249, 2010 WL 2943537, at *4, 2010 U.S. Dist. LEXIS 83681, at *14-15 (N.D. Cal. July 26, 2010) (one of 26 suits brought by Dan Mount, Esq.'s company, SF Tech); *Patent Compliance Group, Inc. v. Wright Med. Tech., Inc.*, No. 10-cv-289, 2010 WL 3766724, 2010 U.S. Dist. LEXIS 102300 (N.D. Tex. Sept. 27, 2010) (one of 15 suits brought by Michael Zweber, Esq.'s company, Patent Compliance Group); *see also* Joe Mullin, *Patent Litigation Weekly: Who is Driving the False-*

B. False Marking Must Be Pled with Specificity under Rule 9(b)

Like other causes of action based on fraud, false marking claims must be pled "with sufficient specificity to meet the heightened pleading requirements of Rule 9(b)." *Brooks Bros.*, 2010 WL 3397419, at *6, 2010 U.S. App. LEXIS 18144, at *19 (quotation marks omitted); *see also Brinkhmeier v. BIC Corp.*, Nos. 09-cv-860, 10-cv-01, 2010 WL 3360568, at *8, 2010 U.S. Dist. LEXIS 87656, at *28 (D. Del. Aug. 25, 2010) ("The court agrees with the United States District Court for the Eastern District of Pennsylvania, and other districts, that the heightened pleading standard of Rule 9(b) applies to section 292 claims."); *Hollander v. Etymotic Research, Inc.*, No. 10-cv-526, 2010 WL 2813015, at *7, 2010 U.S. Dist. LEXIS 71071, at *18 (E.D. Pa. July 14, 2010) (Tucker, J.) ("The Court is persuaded by the law of other

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Marking Frenzy? (May 31, 2010), *available at* http:// www.law.com/ jsp/cc/ PubArticleCC.jsp?id= 1202458966077.

[2] Church & Dwight reserves its right to challenge the effect of these three rulings in any appeal it might take to the Federal Circuit. For the time being, however, these rulings bind this Court.

district courts holding that false marking claims are fraud-based claims subject to Rule 9(b)'s heightened pleading standards.").[3]

The Federal Circuit has recently been asked to grant a mandamus petition because a district court did not apply Rule 9(b). *See In re BP Lubricants, Inc.*, Misc. Docket no. 2010-M960 (Fed. Cir. filed Sep. 14, 2010). Despite the fact that the United States stands to profit from such false marking cases, "[t]he position of the United States is that, consistent with other cases 'sounding in fraud,' False Marking cases should be subject to the pleading requirements of Rule 9(b)." *See* Ex. A (the United States' amicus brief filed in support of mandamus in *BP Lubricants*) at 2.

1. Pleading the First Element: Marking of an Unpatented Product

The courts have so far established two requirements in pleading the first element of a § 292 claim—"marking an unpatented article."

First, a plaintiff must "specifically identif[y] the product [that the defendant] allegedly mismarked." *Simonian v. Cisco Sys., Inc.*, 2010 WL 2523211, at *3, 2010 U.S. Dist. LEXIS 60752, at *8 (N.D. Ill. June 17, 2010); *see also Brinkmeier v. BIC Corp.*, 2010 WL

3 Other examples of courts holding that Rule 9(b) applies to false marking claims include *Josephs v. Federal-Mogul Corp.*, No. 10-cv-10617, 2010 WL 3803779, at *2, 2010 U.S. Dist. LEXIS 100535, at *4 (E.D. Mich. Sept. 23, 2010); *McNamara v. Natural Organics, Inc.*, no. 10-cv-3544, 2010 WL 3521850, at *1, 2010 U.S. Dist. LEXIS 90548, at *2-3 (N.D. Ill. Sep. 1, 2010); *Advanced Cartridge Techs., LLC v. Lexmark Int'l, Inc.*, No: 10-cv-486, 2010 WL 2640137, at *1; 2010 U.S. Dist. LEXIS 65047, at *3 (M.D. Fla. June 30, 2010); *Simonian v. Cisco Sys.*, No. 10-cv-1306, 2010 WL 252321, at *3; 2010 U.S. Dist. LEXIS 60752, at *7-8 (N.D. Ill. June 17, 2010); *Juniper Networks v. Shipley*, No. 09-cv-696, 2009 WL 1381873, at *4; 2009 U.S. Dist. LEXIS 40978, at *10-12 (N.D. Cal. May 13, 2009). Before *Brooks Brothers*, however, a few courts had declined to apply Rule 9(b) to false marking claims. *See Astec Am., Inc. v. Power-One, Inc.*, No. 07-cv-464, 2008 WL 1734833, at *12; 2008 U.S. Dist. LEXIS 30365, at *33 (E.D. Tex. Apr. 11, 2008); *3d Party Verification, Inc. v. SignatureLink, Inc.*, 492 F. Supp. 2d 1314, 1327 (M.D. Fla. 2007).

3360568, at *9, 2010 U.S. Dist. LEXIS 87656, at *28-30 (granting a motion to dismiss in part because "it is not clear from the complaint . . . which product(s) were allegedly mismarked). It does not suffice to allege that some of the defendant's products are falsely marked without specifically identifying the accused products.

Second, qualified or equivocal marking language cannot support a false marking claim. Saying that a product "may be covered" by a number of patents, when it is indeed covered by some of them, does not constitute false marking. *Solo Cup*, 608 F.3d at 1365 (affirming summary judgment based in part on this issue and stating that "the 'may be covered' language stated exactly the true situation" and that the defendant "did not state on its packaging that any product was definitely covered by a patent"); *see also* 7 Donald S. Chisum, *Chisum on Patents* § 20.03[7][c][vii] (citing cases and stating, "[t]here is no culpable mismarking if the marker lists a number of patents and fewer than all the patents cover the article"); *Genlyte Thomas Group LLC v. Nat'l Serv. Indus., Inc.*, 262 F. Supp. 2d 753, 755-56 (W.D. Ky. 2003) (holding that it does not constitute false marking to say that a product "may be covered by one or more of the following U.S. Patents" and listing at least one applicable and non-expired patent).[4]

2. Pleading the Second Element: A "Purpose of Deceiving the Public"

Because the false marking statute is a criminal one, albeit punishable by a civil fine, the requirements for pleading the second element of a § 292 claim—a "purpose of deceiving the public"—are particularly high. *Pequignot v. Solo Cup Co.*, 608 F.3d 1356, 1363

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4 *But see Clontech Labs., Inc. v. Invitrogen Corp.*, 406 F.3d 1347, 1352 (Fed.Cir.2005) ("When the statute refers to an 'unpatented article' the statute means that the article in question is not covered by at least one claim of each patent with which the article is marked"). However, the marking in *Clontech* did not include any "may be covered" language, which the Federal Circuit later cited when affirming summary judgment of no false marking in *Solo Cup*, 608 F.3d at 1365.

(Fed. Cir. 2010). Indeed, in analogous pleadings of deceptive intent in patent cases involving allegations of unenforceability, the Federal Circuit requires pleading of intent with particularity. *See Exergen corp. v. Wal-Mart Stores, Inc.*, 575 F.3d 1312, 1325-31 (Fed. Cir. 2009) (using Rule 9 to prevent deceptive intent from being "asserted against every patentee."). The plaintiff must aver "**specific** factual allegations to support an inference of fraudulent intent." *Simonian*, 2010 WL 2523211, at *4, 2010 U.S. Dist. LEXIS 60752, at *6-12 (emphasis added). A false marking plaintiff has "the burden to plead . . . facts demonstrating that [the defendant], in marking the solution with the [allegedly expired patent], had the specific intent to deceive the public into believing something that [the defendant] knew to be false." *Cent. Admixture Pharmacy Servs., Inc., v. Advanced Cardiac Solutions*, No. 00-cv-2430, 2006 WL 4448613, at *24, 2006 U.S. Dist. LEXIS 95833, at *78 (N.D. Ala. Jan. 13, 2006). *See also* Ex. A at 10-14 (citing cases upholding the same standard in analogous areas of law).

The following averments have all been found **insufficient** to properly plead deceptive purpose:

- That the defendant intended to falsely mark its products, *see Solo Cup*, 608 F.3d at 1364 ("the required intent is not intent to perform an act, *viz*, falsely mark a product, but instead intent to deceive the public");

- That the defendant took the time to update its packaging, *see Shizzle Pop, LLC v. Wham-O, Inc.*, No. 10-cv-3491, 2010 WL 3063066, at *4, 2010 U.S. Dist. LEXIS 86924, at *10-11 (C.D. Cal. Aug. 2, 2010);

- That the defendant continued to mark its products after the patent expired, *see Brinkmeier*, 2010 WL 3360568, at *8, 2010 U.S. Dist. LEXIS 87656, at *28; *Advanced Cartridge*, 2010 WL 2640137, at *1, 2010 U.S. Dist. LEXIS 65047, at *3;

- That the defendant was sophisticated and had extensive patent experience, *see Simonian*, 2010 WL 2523211, at *3, 2010 U.S. Dist. LEXIS 60752, at *6-12;

- That the defendant was aware of the patent's limited duration, that the patent had expired, and that the defendant continued to mark its products

thereafter, *see Brinkmeier v. Graco Children's Prods.*, 684 F. Supp. 2d 548, 553 (D. Del. 2010); *Hollander v. Etymotic Research, Inc.*, No. 10-cv-526, 2010 WL 2813015, at *6, 2010 U.S. Dist. LEXIS 71071, at *17-18 (E.D. Pa. July 14, 2010)

- That the defendant "intentionally included expired patents in the patent markings with the intent to deceive the public." *Brinkmeier*, 2010 WL 3360568, at *8, 2010 U.S. Dist. LEXIS 87656, at *28 (quotations omitted) (citing *Exergen Corp. v. Wal-Mart Stores, Inc.*, 575 F.2d 1312, 1330 (Fed. Cir. 2009);

- That the defendant knew the marking was false, *see Solo Cup*, 608 F.3d at 1363; *Juniper Networks*, 2009 WL 1381873, at *11-12, U.S. Dist. LEXIS 40978, at *4;

- That, upon information and belief, the defendant had the purpose of deceiving the public, *see Brinkmeier*, 2010 WL 3360568, at *8, 2010 U.S. Dist. LEXIS 87656, at *28 (citing *Exergen*, 575 F.2d at 1330); *McNamara v. Natural Organics, Inc.*, no. 10-cv-3544, 2010 WL 3521850, at *1, 2010 U.S. Dist. LEXIS 90548, at *3 (N.D. Ill. Sep. 1, 2010) ("So the 'information and belief' allegation of intent to deceive set out in [the complaint] does not cut it.");

- That the defendant marked its products with language indicating that "one or more of the following patents may apply" when in fact some of the listed patents cover the marked product. *Solo Cup*, 608 F.3d at 1365 (noting that since "the 'may be covered language' stated exactly the true situation . . . it is highly questionable whether such a statement could be made 'for the purpose of deceiving the public'"); *Arcadia Mach. & Tool, Inc. v. Sturm, Ruger & Co.*, 786 F.2d 1124, 1125 (Fed. Cir. 1986);

- That the defendant marked its products with multiple patents, not all of which covered the marked article. *Genlyte Thomas Group LLC v. Nat'l Serv. Indus., Inc.*, 262 F. Supp. 2d 753, 755-56 (W.D. Ky. 2003); 7 Donald Chisum, *Chisum on Patents* § 20.03[7][c][vii] (2000) (citing cases and noting that "[t]here is no culpable mismarking if the marker lists a number of patents and fewer than all of the patents cover the article"); and

- That the defendant "was seeking to 'gain a competitive advantage in the marketplace'" by false marking. *McNamara v. Natural Organics, Inc.*, no. 10-cv-3544, 2010 WL 3521850, at *2, 2010 U.S. Dist. LEXIS 90548, at *3 (N.D. Ill. Sep. 1, 2010).

Conversely, there are other factual averments that affirmatively show a **lack of any purpose** of deceiving the public. For example, "it is highly questionable whether such a statement [that several patents "may apply," when in fact some do apply] could be made 'for the purpose of deceiving the public,' when the public would not reasonably be deceived into believing the products were definitely covered by a patent." *Solo Cup*, 608 F.3d at 1365 (affirming summary judgment); *Arcadia*, 786 F.2d at 1125 ("The 1984 label, which was changed to read 'may be manufactured under,' was properly found by the district court not to be deceptive in any way.").

Finally, pleading "on information and belief" is not some magic way to get around Rule 9(b)'s pleading requirement. "Rule 9(b) permits allegations based on 'information and belief' when 'essential information lies uniquely within another party's control, but **only if the pleading sets forth specific facts upon which the belief is reasonably based**.'" *Hollander v. Etymotic Research, Inc.*, No. 10-cv-526, 2010 WL 2813015, at *5, 2010 U.S. Dist. LEXIS 71071, at *11-12 (E.D. Pa. July 14, 2010) (Tucker, J.) (emphasis added) (quoting *Exergen Corp. v. Wal-Mart Stores, Inc.*, 575 F.3d 1312, 1330 (Fed.Cir.2009)).

3. Even under Rule 8, False Marking Requires Pleading Facts

Even under the general pleading standards of Rule 8(a), a plaintiff must plead "factual content [that] allows the court to draw the reasonable inference that the defendant is liable for the misconduct alleged." *Ashcroft v. Iqbal*, 129 S. Ct. 1937, 1949 (2009). "[B]are assertions, legal conclusions, and formulaic recitation[s] of the elements of a cause of action are not entitled to the assumption of truth." *U.S. ex rel. Lobel v. Express Scripts, Inc.*, 351 Fed. Appx. 778, 780 (3d Cir. 2009) (quotations omitted) (citing *Iqbal*, 129 S. Ct. at 1950-51). The complaint must "raise a right to relief above the speculative level" by providing "enough facts to state a claim to relief that is plausible on its face." *Bell Atl. Corp. v. Twombly*, 550 U.S. 544, 555, 570 (2007).

C. The "First-to-File" Rule for False Marking

Because a § 292 claim is a *qui tam* claim, *i.e.*, a claim brought on behalf of the government, only one relator can be allowed to assert any particular claim; the government cannot sue the same company twice for the same alleged violation. If the first relator to file asserts a viable claim, no subsequent relator has standing to bring the same claim against the same defendant. *See Simonian v. Quigley Corp.*, No. 10-cv-1259, 2010 WL 2837180, at *2, 2010 U.S. Dist. LEXIS 72590, at *5 (N.D. Ill. July 19, 2010) (holding that the false marking statute "contemplates only a single action brought by a private individual on behalf of the United States" and dismissing the second-filed claim); *San Fran. Tech., Inc. v. Glad Prods. Co.*, No. 10-cv-3249, 2010 WL 2943537, at *4, 2010 U.S. Dist. LEXIS 83681, at *14-15 (N.D. Cal. July 26, 2010) (finding that SF Tech did not have standing because "the claims of the United States government previously were assigned to [another plaintiff] depriving Plaintiff of standing to assert them here"); *cf. Brooks Bros., Inc.*, 2010 WL 3397419, at *3, 2010 U.S. App. LEXIS 18114, at *11 (noting that the false marking statute is a *qui tam* provision "authorizing someone to pursue an action on behalf of the government"); *United States v. B.F. Goodrich Co.*, 41 F. Supp. 574, 575 (S.D.N.Y. 1941) (applying the first-to-file rule to a *qui tam* False Claims Act case).[5]

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[5] This first-to-file rule has bases in claim preclusion and, because the false marking statue is a criminal one, perhaps also in the Fifth Amendment's protection against double jeopardy. *See* Robert A. Matthews, Jr., "When Multiple Plaintiffs/Relators Sue for the Same Act of Patent False Marking," 2010 Patently-O Patent L.J. 95, *available at* http://www.patentlyo.com/matthews.falsemarking.pdf.

III. FACTUAL BACKGROUND

A. The Parties

Church & Dwight manufactures consumer products in the United States, including Arm & Hammer® brand baking soda and several different Arm & Hammer® and Mentadent® brand toothpastes. Church & Dwight is headquartered in Princeton, New Jersey.

Plaintiff/relator SF Tech is a company that was created by its lawyer, Dan Mount of the Mount and Stoeckler law firm, for the purpose of bringing these kinds of false marking lawsuits. *Glad Prods.*, 2010 WL 2943537, at *9 n.11, 2010 U.S. Dist. LEXIS 83681, at *28-29 n.11. SF Tech is the plaintiff in dozens of false marking cases in district courts around the country. *See* http://www.grayonclaims.com/storage/False%20Marking%20Cases.pdf. Plaintiff/relator Jane Hirschhorn is an individual.

B. The *SF Tech* Complaint

The *SF Tech* complaint was filed on March 5, 2010 in the Northern District of California (No. 10-cv-966) against 21 unrelated defendants, including Church & Dwight. With regard to Church & Dwight, the *SF Tech* complaint alleges that:

> 68. Upon information and belief, Church & Dwight makes and sells many kinds of products, including Mentadent toothpaste products and Arm & Hammer Extra Whitening toothpaste products and Arm & Hammer Baking Soda & Peroxide toothpaste products. Church & Dwight marks the packaging in which its Mentadent toothpaste products are sold: "One or more of the following patents may apply: Patent Nos. 5,020,694; 5,038,963; 5,059,417; 5,085,853; 5,289,949; 5,372,803; 5,456,902; 5,616,313; 5,632,972; 5,645,193". Church & Dwight marks the packaging in which these Arm & Hammer toothpaste products are sold: "U.S. Patent #4,891,211/5,424,060". Upon information and belief, U.S. Patents [*sic*] Nos. 5,020,694, 5,038,963, and 4,891,211 expired no later than 3/17/2009, 3/17/2009, and 6/30/2008, respectively.
>
> 69. Church & Dwight's falsely marked products are being sold retail in 2010 with such false markings, after the expirations of U.S. Patents Nos. 5,020,694, 5,038,963, and 4,891,211. Upon information and belief, Church & Dwight has made decisions to falsely mark its products after the expirations of these patents, including each time it has printed or otherwise created such packaging.

> 70. Upon information and belief, Church & Dwight marks its products with patents to induce the public to believe that each such product is protected by each patent listed and with knowledge that nothing is protected by an expired patent. Accordingly, Church & Dwight falsely marked its products with intent to deceive the public.

The *SF Tech* case is now in this Court because the California court granted Church & Dwight's motion to sever the claim against Church & Dwight and to transfer it here. *San Fran. Tech., Inc. v. Glad Prods. Co.*, No. 10-cv-966, 2010 WL 2943537, at *12-13, 2010 U.S. Dist. LEXIS 83681, at *33-34 (N.D. Cal. July 26, 2010).

C. The *Hirschhorn* Complaint

The *Hirschhorn* complaint was filed in this Court on March 17, 2010, and alleges that:

> 13. C&D's ARM & HAMMER DENTAL CARE Toothpaste line includes the products called "ARM & HAMMER COMPLETE CARE" and "ARM & HAMMER PEROXICARE."
>
> . . .
>
> 17. C&D is a sophisticated company with decades of experience in applying for, obtaining, and litigating patents, and therefore knows that patents do not have an unlimited duration.
>
> 18. Indeed, C&D, in its federal securities filings, affirmatively states that "United States patents are currently granted for a term of 20 years from the date the patent application is filed[.]"
>
> 19. C&D is the assignee of many U.S. Patents.
>
> . . .
>
> 28. No later than the year 2006, C&D began marking its "ARM & HAMMER COMPLETE CARE" and "ARM & HAMMER PEROXI-CARE" line of toothpastes with the '211 Patent. [footnote omitted]
>
> 29. In 2006, C&D reviewed its patents, including the '211 Patent, when it made the decision to mark, or continue marking, its "ARM & HAMMER COMPLETE CARE" and "ARM & HAMMER PEROXI-CARE" line of toothpastes with the '211 Patent.

30. As set forth above, C&D knows that U.S. patents expire within 20 years of their application.

31. C&D thus confirmed that the ’211 Patent would not cover its “ARM & HAMMER COMPLETE CARE” and “ARM & HAMMER PEROXI-CARE” lines of toothpastes after June 29, 2008.

32. C&D has nevertheless decided to continue marking every unit of its “ARM & HAMMER COMPLETE CARE” and “ARM & HAMMER PEROXI-CARE” lines of toothpastes with the ’211 Patent since June 29, 2008 and until the present.

33. C&D had and has no reasonable basis to believe that its “ARM & HAMMER COMPLETE CARE” and “ARM & HAMMER PEROXI-CARE” lines of toothpastes were covered by the ’211 Patent after June 29, 2008.

34. Upon information and belief, notwithstanding its expiration, C&D has marked, and continues to mark, its “ARM & HAMMER COMPLETE CARE” and “ARM & HAMMER PEROXI-CARE” line [*sic*] of toothpastes with the ’211 Patent for the purpose of deceiving the public into believing that the “ARM & HAMMER COMPLETE CARE” and “ARM & HAMMER PEROXI-CARE” lines of toothpastes are covered by the ’211 Patent.

35. Upon information and belief, C&D has used the unlawfully-marked packaging of its “ARM & HAMMER COMPLETE CARE” and “ARM & HAMMER PEROXI-CARE” lines of toothpastes in its advertising.

36. By marking and continuing to mark articles of “ARM & HAMMER COMPLETE CARE” and “ARM & HAMMER PEROXI-CARE” toothpaste with the ’211 Patent since June 29, 2008, without a reasonable belief that the “ARM & HAMMER COMPLETE CARE” and “ARM & HAMMER PEROXI-CARE” lines of toothpastes could have been covered by the ’211 Patent, and by using the improperly-marked packaging of “ARM & HAMMER COMPLETE CARE” and “ARM & HAMMER PEROXI-CARE” toothpastes in advertising, C&D has injured the sovereign interests of the United States of America as well as the public interest, and has discouraged or deterred honest competition and innovation in competing products.

IV. ARGUMENT

A. The *SF Tech* Case Should Be Dismissed

1. SF Tech’s Complaint Fails to Allege Fraud with Particularity as Required by Rule 9(b)

The *SF Tech* complaint falls far short of alleging “facts demonstrating that [Church & Dwight] had the specific intent to deceive the public into believing something that

[Church & Dwight] knew to be false." *Cent. Admixture*, 2006 WL 4448613, at *24, 2006 U.S. Dist. LEXIS 95833, at *78. SF Tech avers only that "[u]pon information and belief, Church & Dwight has made decisions to falsely mark its products after the expirations of these patents, including each time it has printed or otherwise created such packaging" and that "[u]pon information and belief, Church & Dwight marks its products with patents to induce the public to believe that each such product is protected by each patent listed and with knowledge that nothing is protected by an expired patent." SF Tech Complaint ¶¶ 69-70. Not only are the only two relevant averments made "upon information and belief," but SF Tech's complaint does not even *pretend* to set forth any facts upon which those beliefs are reasonably based. *See Exergen Corp. v. Wal-Mart Stores, Inc.*, 575 F.3d 1312, 1330 (Fed.Cir.2009) (requiring such a basis); *Simonian*, 2010 WL 2523211, at *4, 2010 U.S. Dist. LEXIS 60752, at *6-12 (same). These conclusory allegations, without any supporting factual details, do not raise a plausible inference of deceptive purpose. *See Brinkmeier*, 2010 WL 3360568, at *8, 2010 U.S. Dist. LEXIS 87656, at *28; *McNamara v. Natural Organics, Inc.*, no. 10-cv-3544, 2010 WL 3521850, at *1, 2010 U.S. Dist. LEXIS 90548, at *3 (N.D. Ill. Sep. 1, 2010) ("the 'information and belief' allegation of intent to deceive set out in [the complaint] does not cut it"); *see also* Ex. A at 2 (expressing the Department of Justice's view that in a false marking case, "conclusory allegations" of intent, *i.e.* that a defendant 'knows, or should know' that a patent has expired, are insufficient).

Moreover, even if SF Tech's averments had not been made "upon information and belief," they would still fail because they are completely devoid of any *facts*. Paragraph 70 is nothing but a conclusory statement that recites an element of the claim. As a matter of law, such statements are insufficient. *See Brinkmeier*, 2010 WL 3360568, at *8, 2010 U.S. Dist. LEXIS 87656, at *28 (citing *Exergen*, 575 F.2d at 1330).

Once the meaningless verbiage of the *SF Tech* complaint is removed—the "information and belief" and the rote recitation of a claim element—nothing at all remains. SF Tech gives the Court no *facts* which would allow the Court to infer that Church & Dwight had a purpose of deceiving the public, as contrasted, for example, to inferring that the company was merely careless. The complaint fails to allege any "specific factual allegations to support an inference of fraudulent intent;" *Simonian,* 2010 WL 2523211, at *4, 2010 U.S. Dist. LEXIS 60752, at *6-12. It therefore fails to meet the pleading standard of Rule 9(b) and fails to state a claim upon which relief can be granted.

2. Even under the General Pleading Standard of Rule 8, SF Tech Does Not Adequately Plead any "Purpose of Deceiving the Public"

The *SF Tech* complaint does not even pass muster under Rule 8(a) because it does not contain a "statement of the claim showing that the pleader is entitled to relief." Fed. R. Civ. P. 8(a). Even taking all of SF Tech's allegations as true (including those allegations made only "upon information and belief") and drawing every inference in favor of SF Tech, there are only two allegations that might conceivably relate to a purpose to deceive the public:

> 69. . . . Upon information and belief, Church & Dwight has made decisions to falsely mark its products after the expirations of these patents, including each time it has printed or otherwise created such packaging.
>
> 70. Upon information and belief, Church & Dwight marks its products with patents to induce the public to believe that each such product is protected by each patent listed and with knowledge that nothing is protected by an expired patent. Accordingly, Church & Dwight falsely marked its products with intent to deceive the public.

Neither allegation satisfies the pleading standard of Rule 8(a), as set forth in *Twombly* and *Iqbal*.

Paragraph 69 is insufficient because it does not include any facts suggesting that when Church & Dwight allowed its products to continue to be marked with a patent that had expired, Church & Dwight did so deliberately, and with the purpose of deceiving the public. The key element—"a purpose of deceiving the public"—is completely absent.

Paragraph 70 is equally meaningless, since it merely restates the "the purpose of deceiving the public" element from the statute. Such "bare assertions, legal conclusions, and formulaic recitation[s] of the elements of a cause of action are not entitled to the assumption of truth." *U.S. ex rel. Lobel v. Express Scripts, Inc.*, 351 Fed. Appx. 778, 780 (3d Cir. 2009) (quotation marks omitted) (quoting *Iqbal*, 129 S. Ct. at 1950-51).

3. SF Tech Fails to Plead what Products Are Falsely Marked

As explained above, SF Tech's complaint falls woefully short of pleading the second element of § 292 (purpose of deceiving the public) in accordance with the legal requirements. Moreover, the complaint does not even adequately plead the first element (marking an unpatented product).

SF Tech accuses Church & Dwight of falsely marking "many kinds of products, including Mentadent toothpaste products and Arm & Hammer Extra Whitening toothpaste products and Arm & Hammer Baking Soda & Peroxide toothpaste products." SF Tech Compl. ¶ 68;[6] *see also* SF Tech's opposition to Church & Dwight's motion to consolidate, no. 10-cv-391, Docket #5, pp. 4-5 (asserting that SF Tech's complaint could relate to Church & Dwight products "that are not expressly addressed in SF Tech's original complaint," including cat litter).

SF Tech's language is much too vague. At a minimum, SF Tech was obligated to identify the specific Church & Dwight product being accused. For example, the complaint refers to the "many kinds of products" that Church & Dwight makes and sells, and then references

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6 In contrast, *SF Tech*'s complaint names specific products for other defendants. *See, e.g.*, *SF Tech* complaint at ¶63 (listing 35 model numbers of Brighter Image lighting products), ¶100 (listing 7 particular colors of Maybelline mascara).

"Arm & Hammer Extra Whitening" toothpaste, even though Church & Dwight does not sell something called "Arm & Hammer Extra Whitening" toothpaste. *See* http:// www. armandhammer.com/ personal-care/ toothpaste/ products.aspx.[7] Because SF Tech's complaint does not specify what "many kinds of products" it is accusing, the complaint should be dismissed in its entirety, or at least to the extent of any products other than Mentadent toothpaste and Arm & Hammer Baking Soda & Peroxide toothpaste. *Simonian*, 2010 WL 2523211, at *3, 2010 U.S. Dist. LEXIS 60752, at *8; *Brinkmeier v. BIC Corp.*, 2010 WL 3360568, at *9, 2010 U.S. Dist. LEXIS 87656, at *28-30.

4. SF Tech's Pleadings Do Not Allege False Marking, as a Matter of Law

Yet another problem with the *SF Tech* complaint is that, among the few facts that it actually does allege are judicial admissions that show, as a matter of law, that the accused Church & Dwight products are **not** falsely marked.

With respect to Mentadent toothpaste products, SF Tech alleges that "Church & Dwight marks the packaging in which its Mentadent toothpaste products are sold: '***One or more of the following patents may apply***: Patent Nos. 5,020,694; 5,038,963; 5,059,417; 5,085,853; 5,289,949; 5,372,803; 5,456,902; 5,616,313; 5,632,972; 5,645,193.'" SF Tech Compl. ¶68 (emphasis added). As a matter of law, however, the Mentadent marking (qualified with the "*one or more . . . may apply*" language) cannot constitute false marking. *See, e.g., Solo Cup,* 608 F.3d at 1365. Similarly, with respect to certain Arm & Hammer toothpaste products, SF Tech alleges that "Church & Dwight marks the packaging in which these Arm & Hammer toothpaste products are sold: 'U.S. Patent #4,891,211/5,424,060.' " SF Tech Compl. ¶68. Marking a product with one allegedly-expired patent (the ’211 patent), and one patent that has not expired (the ’060 patent) does not violate 35 U.S.C. § 292, as a matter of law. *See, e.g.*, *Genlyte*, 262 F. Supp. 2d at 755-56.

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[7] Perhaps SF Tech could be referring to Arm & Hammer Complete Care toothpaste.

B. The *Hirschhorn* Case Should Be Dismissed

1. Hirschhorn Fails to Properly Plead any Purpose of Deceiving the Public

The *Hirschhorn* complaint is just as deficient as the *SF Tech* complaint in pleading a purpose to deceive the public. Hirschhorn makes a number of allegations about Church & Dwight’s marking, but none of them satisfies Rule 9(b) for pleading false marking.

Hirschhorn pleads that Church & Dwight had knowledge of the ’211 patent’s alleged expiration in 2008. *See* Hirschhorn Compl. ¶¶ 17-18, 22, 24, 30-31, 33 (averring, more or less, that Church & Dwight is a sophisticated patentee who should have known when the ’211 patent expired).[8] As many courts have already held, however, merely alleging that a company knows when its patent expires does not show a purpose to deceive the public. *See Brinkmeier*, 2010 WL 3360568, at *10, 2010 U.S. Dist. LEXIS 87656, at *32; *Advanced Cartridge*, 2010 WL 2640137, at *1, 2010 U.S. Dist. LEXIS 65047, at *3; *Inventorprise, Inc. v. Target Corp.*, No. 09-cv-00380, 2009 WL 3644076, at *7 n.16, 2009 U.S. Dist. LEXIS 102852, at *23 n.16 (N.D.N.Y. Nov. 2, 2009); *Simonian*, 2010 WL 2523211, at *3, 2010 U.S. Dist. LEXIS 60752, at *6-12; *see also* Ex. A at 16-17 (expressing the Department of Justice’s view that such pleading is insufficient in a false marking case).[9]

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[8] Paragraph 23 states that “[e]very U.S. patent, when issued, sets forth its date of expiration.” Not so. *See, e.g.*, Ex. A to *Hirschhorn*’s complaint (the ’211 patent); *see also Solo Cup*, 608 F.3d at 1362.

[9] The *Hirschhorn* complaint also arguably seems to imply that Church & Dwight decided to mark the accused toothpaste two years earlier, in 2006. *Hirschhorn* Compl. ¶¶ 28-29.

Hirschhorn alleges that Church & Dwight affirmatively decided to mark each product with an expired patent after it created new packaging for its products in 2006. *Hirschhorn* Compl. ¶¶ 28, 32. "However, creating new packaging does not create a reasonable inference that Defendant knew the [accused] patent had expired. Courts applying the heightened Rule 9(b) standard . . . have found that further factual detail is needed in order to survive a motion to dismiss." *Shizzle Pop*, 2010 WL 3063066, at *4, 2010 U.S Dist. LEXIS 86924, at *11.

The key paragraph of Hirschhorn's complaint is paragraph 34:

> 34. Upon information and belief, notwithstanding its expiration, C&D has marked, and continues to mark, its "ARM & HAMMER COMPLETE CARE" and "ARM & HAMMER PEROXI-CARE" line [*sic*] of toothpastes with the '211 Patent for the purpose of deceiving the public into believing that the "ARM & HAMMER COMPLETE CARE" and "ARM & HAMMER PEROXI-CARE" lines of toothpastes are covered by the '211 Patent.

Hirschhorn Compl. ¶ 34. As explained above, however, Hirschhorn's allegation of a purpose of deceiving the public "upon information and belief," will not suffice. *See also Hollander*, 2010 WL 2813015, at *5, 2010 U.S. Dist. LEXIS 71071, at *11-12, *Brinkmeier*, 2010 WL 3360568, at *8, 2010 U.S. Dist. LEXIS 87656, at *28; *McNamara*, 2010 WL 3521850, at *1, 2010 U.S. Dist. LEXIS 90548, at *3.

By Hirschhorn's own admission, however, marking until June 29, 2008 was not false marking. *See, e.g.*, *Hirschhorn* Compl. ¶ 22. Moreover, the intent to *mark* is itself immaterial. *See Solo Cup*, 608 F.3d at 1364 ("[T]he required intent is not intent to perform an act, *viz.*, falsely mark a product, but instead intent to deceive the public."). These facts are insufficient to plead a purpose to deceive the public. *See Shizzle Pop*, 2010 WL 3063066, at *4, 2010 U.S. Dist. LEXIS 86924, at *10-11 (holding that the fact that when "the Defendant took the time to update its packaging in 2009 it must have realized that the [patent-in-suit] was expired . . . does not create a reasonable inference that the Defendant knew the [patent-in-suit] had expired"); *Juniper Networks*, 2009 WL 1381873, at *11-12, 2009 U.S. Dist. LEXIS 40978, at *4 (finding that the allegations that the defendant's alteration of language on his website indicating that his product was covered by the patent-in-suit and that, upon information and belief, he "knew" the language to be false are insufficient to plead an intent to deceive); *see also* Ex. A at 15 (stating that "[t]hese courts have the better rationale and should be followed.").

2. Hirschhorn's Complaint Does Not Meet the General Pleading Requirements of Rule 8(a)

Like the *SF Tech* complaint, the *Hirschhorn* complaint fails even to meet the general pleading requirements of Rule 8(a).

Accepting all the allegations in Hirschhorn's complaint as true, and drawing every possible inference in Hirschhorn's favor, only the following allegations conceivably relate to any purpose of deceiving the public:

- Church & Dwight "is a sophisticated company" that owns many patents and knows how long a patent term is; ¶¶17-19, 30;
- Church & Dwight "began marking its 'ARM & HAMMER COMPLETE CARE' and 'ARM & HAMMER PEROXI-CARE' line of toothpastes with the '211 Patent" no later than 2006, after reviewing the '211 patent and confirming that those toothpastes would not be covered by the '211 patent after June 29, 2008; ¶¶28-29, 31;
- Church & Dwight "has nevertheless decided to continue marking every unit of its 'ARM & HAMMER COMPLETE CARE' and 'ARM & HAMMER PEROXI-CARE' lines of toothpastes with the '211 Patent since June 29, 2008 and until the present," despite having no basis to believe they were covered by the '211 patent; ¶¶32-33;
- "Upon information and belief, notwithstanding its expiration, C&D has marked, and continues to mark, its 'ARM & HAMMER COMPLETE CARE' and 'ARM & HAMMER PEROXI-CARE' line [*sic*]of toothpastes with the '211 Patent for the purpose of deceiving the public into believing that the 'ARM & HAMMER COMPLETE CARE' and 'ARM & HAMMER PEROXI-CARE' lines of toothpastes are covered by the '211 Patent;" ¶34.

Neither singly nor collectively do these allegations meet the requirement of alleging facts from which the Court can infer a purpose to deceive the public.

Paragraphs 17-19 and 28-32 do not allege any deceptive purpose in that marking. The allegations neither rule-in nor rule-out all sorts of reasons for the marking; indeed, from the facts pled by Hirschhorn, carelessness or inattention is just as likely an explanation for the marking as a deliberate and purposeful decision to follow a course of conduct in order to deceive the public. That is not enough. *See Solo Cup*, 608 F.3d at 1363; *Simonian*, 2010 WL 2523211, at *4, 2010 U.S. Dist. LEXIS 60752, at *6-12. Similarly, paragraph 34 merely restates the element of a "purpose of deceiving the public" from the false marking statute. But "[to] survive dismissal under Rule 12(b)(6), a complaint must contain more than '[t]hreadbare recitals of the elements of a cause of action, supported by mere conclusory statements." *Mayercheck v. Judges of the Pa. Supreme Ct.*, No. 09-3575, 2010 WL 3258257, at *3, 2010 U.S. App. LEXIS 17790, at *7, (3d Cir. Aug. 18, 2010) (quoting *Iqbal*, 129 S. Ct. at 1949).

C. Both Complaints Should Be Dismissed with Prejudice

When, as here, amendment of the complaint would be futile, the complaint should be dismissed with prejudice. *In re Digital Island Sec. Litig.*, 357 F.3d 322, 337 (3d Cir. 2004) (citing *Foman v. Davis*, 371 U.S. 178, 182 (1962)). SF Tech and Hirschhorn clearly know of no facts supporting their rote allegations that Church & Dwight deliberately decided to mark these products with expired patents in order to deceive the public, nor could any such facts exist. Indeed, it is obvious that the reason why both SF Tech and Hirschhorn resorted to pleading "upon information and belief" is because they simply know of no facts from which one could reasonably infer that Church & Dwight had any such purpose.

Rule 9 (and for that matter, Rule 11) does not allow someone—particularly a lawyer/plaintiff—to file a fraud complaint under a quasi-criminal statute with the hope that he might later discover something to substantiate the accusations he has so recklessly made in an attempt to make a quick buck.

V. ALTERNATIVELY, THE COURT SHOULD REQUIRE EACH PLAINTIFF / RELATOR TO SHOW CAUSE AS TO WHY HER/ITS CASE SHOULD NOT BE DISMISSED UNDER THE FIRST-TO-FILE RULE

Two plaintiffs/relators cannot both pursue the same claim (*i.e.*, the same products and same patent) on behalf of the same government against the same defendant. *See Quigley*, 2010 WL 2837180, at *2, 2010 U.S. Dist. LEXIS 72590, at *5. Indeed, the false marking statute limits a plaintiff to being "any person" (singular). Yet, the *SF Tech* and *Hirschhorn* complaints *both* claim that Church & Dwight falsely marked all or some of the exact same products (including certain Arm & Hammer and Mentadent brand toothpastes) with the exact same patent (the '211 patent). *Cf.* SF Tech's opposition to Church & Dwight's motion to consolidate, no. 10-cv-3918, Docket #5, pp. 4-5 (alleging that the two complaints completely overlap).

If the *SF Tech* complaint had properly stated a claim upon which relief could be granted, Church & Dwight would simply ask the Court to dismiss the *Hirschhorn* case under the first-to-file rule, in accordance with the authority cited on p. 8, *supra*. However, because *SF Tech* does **not** meet the requirements of Rules 8(a) and 9(b) (and was filed in an improper venue and improperly joined with other claims against other companies), and because the *Hirschhorn* complaint similarly fails to state a claim upon which relief can be granted, Church & Dwight does not now invoke the first-to-file rule. Instead, Church & Dwight submits that each plaintiff/ relator should be required to show cause why its/her case should be allowed to go forward instead of being dismissed (in whole or in part) in favor of the other case, after which Church & Dwight should be permitted to address the arguments either surviving plaintiff might make.

While Church & Dwight cannot choose who the "any person" (singular) is who may sue for false marking—assuming that the Court allows *either* case to proceed—it can and *does* object to having two plaintiffs/relators simultaneously suing it for the same alleged false marking.

VI. CONCLUSION

The Department of Justice recognizes that district courts should use Rule 9(b) to "curtail[] [false marking] lawsuits that are little more than 'fishing expeditions' by potential relators seeking expired patent markings as a basis for initiating a lawsuit without any evidence of an intent to deceive." Ex. A at 18. Both the *SF Tech* case and the *Hirschhorn* case are exactly that kind of "fishing expedition," and both should be dismissed with prejudice. Alternatively, this Court should require each plaintiff to show cause why her/its case should not be dismissed in favor of the other case.

Respectfully submitted,

Dated: *October 25, 2010*

/s *Robert W. Ashbrook Jr.*

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Exhibit A

to Church & Dwight's Memorandum of Law in Support of Its
Motion to Dismiss or for a Rule to Show Cause

"Response of the United States as Amicus Curiae in Support of the Petitioner,"
Docket no. 24 in *In re BP Lubricants, Inc.*, Fed. Cir. no. 2010-M960 (Oct. 20, 2010)

ORIGINAL

MISCELLANEOUS DOCKET NO. 2010-960

IN THE UNITED STATES COURT OF APPEALS
FOR THE FEDERAL CIRCUIT

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THE FEDERAL CIRCUIT
OCT 20 2010
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CLERK

IN RE BP LUBRICANTS USA INC.,

Petitioner.

ON PETITION FOR WRIT OF MANDAMUS FROM THE UNITED STATES DISTRICT COURT FOR THE NORTHERN DISTRICT OF ILLINOIS IN CASE 1:10-CV-10258, JUDGE ROBERT W. GETTLEMAN

RESPONSE OF THE UNITED STATES AS AMICUS CURIAE IN SUPPORT OF THE PETITIONER

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STATEMENT OF RELATED CASES

Counsel for the United States is not aware of any related cases within the meaning of Federal Circuit Rule 45.7.

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IN THE UNITED STATES COURT OF APPEALS
FOR THE FEDERAL CIRCUIT

Miscellaneous Docket No. 2010-960

IN RE BP LUBRICANTS USA INC.,

Petitioner.

ON PETITION FOR WRIT OF MANDAMUS FROM THE UNITED STATES DISTRICT COURT FOR THE NORTHERN DISTRICT OF ILLINOIS IN CASE 1:10-CV-10258, JUDGE ROBERT W. GETTLEMAN

RESPONSE OF THE UNITED STATES AS AMICUS CURIAE
IN SUPPORT OF THE PETITIONER

STATEMENT OF INTEREST OF THE UNITED STATES

Pursuant to Federal Rule of Appellate Procedure 29(a) and 28 U.S.C. § 517, the United States submits this *amicus curiae* brief to assist the Court in considering the issue presented in the petition for writ of mandamus: whether, the pleading requirements of Fed. R. Civ. P. 9(b) apply in a *qui tam* action brought pursuant to 35 U.S.C. 292 for false patent marking, and, if so, what standard governs the pleading of intent to deceive, a requisite for liability under the statute.[1]

[1] Rule 9(b) requires that "[i]n all averments of fraud or mistake, the circumstances constituting fraud or mistake shall be stated with particularity. *Malice, intent, knowledge, and other condition of mind of a person may be averred*

The position of the United States is that, consistent with other cases "sounding in fraud," False Marking cases should be subject to the pleading requirements of Rule 9(b). However, under the Rule, intent to deceive "may be averred generally." This requires that "the pleadings allege sufficient underlying facts from which a court may reasonably infer that a party acted with the requisite state of mind." *Exergen Corp. v. Wal-Mart Stores, Inc.*, 575 F.3d 1312, 1327 (Fed. Cir. 2009). The conclusory allegations pled in this case, *i.e.*, that a defendant is a "sophisticated company" which "knows, or should know" that the patent at issue had expired, are insufficient to satisfy Rule 9(b)'s pleading standard, even under its relaxed standard for pleading intent.

The United States has a substantial interest in the interpretation of *qui tam* statutes, such as the False Marking statute at issue in this case. A *qui tam* statute authorizes a private person, known as a "relator" to bring suit on behalf of the government and to share in the financial recovery. *See generally Vermont Agency of Natural Res. v. United States ex rel. Stevens*, 529 U.S. 765, 768-70 (2000).

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generally." Fed. R. Civ. P. 9(b) (emphasis added). The False Marking statute creates a *qui tam* action which makes it a criminal offense, punishable by a $500 penalty for every offense, for anyone to "mark[] upon, or affix[] to * * *any unpatented article, the word 'patent' * * * *for the purpose of deceiving the public*." 35 U.S.C. § 292(a) (emphasis added). The statute also provides that "[a]ny person may sue for the penalty, in which event one-half shall go to the person suing and the other to the use of the United States." *Id.* at § 292(b).

Qui tam suits by their very nature seek to enforce a "statute [which] defines an offense against the sovereign or proscribes conduct contrary to the interests of the public." *Pequignot v. Solo Cup Co.*, 640 F.Supp.2d 714, 721 (E.D. Va. 2009). *See Stevens*, 529 U.S. at 771 ("the [FCA] complaint asserts an injury to the United States -- both the injury to its sovereignty arising from violation of its laws * * * and the proprietary injury resulting from the alleged fraud"). The False Marking Statute at issue here falls within this category of cases because it "defines a wrong to the government." *See Pequignot*, 640 F.Supp.2d at 721.

The False Marking Statute "assigns the ability to enforce the government's claims for false patent marking to *qui tam* relators." *See Pequignot*, 640 F. Supp. 2d at 724. *See also Stauffer v. Brooks Bros., Inc.*, - - F.3d - -, 2010 WL 3397419, at * 6 (Fed. Cir., August 31, 2010) ("a *qui tam* provision operates as a statutory assignment of the United States' rights"). At the same time, "§ 292(b) does not bar the government from initiating its own action, criminal or civil, to enforce the substantive false marking provisions of § 292(a)." *See Pequignot*, 640 F. Supp. 2d at 727.

Thus, any interpretation of the False Marking Statute, and in particular, the requisites for pleading one of its critical elements, the matter before the Court in this case, is of significant interest to the United States. This is true not only with regard to the requisites of *qui tam* actions brought by relators, but also because any such holding would equally impact upon the ability of the United States to bring its own enforcement actions under the statute. The United States, therefore, has a significant interest in the outcome of this litigation and submits that its participation as *amicus* would assist the Court in its disposition of the question presented.

STATEMENT

Relator brought this *qui tam* action under 35 U.S.C. § 292, alleging that defendant violated the statute by marking certain of its Castrol branded motor oil with a United States patent number, even though the patent had expired. In his complaint, relator alleged, "upon information and belief," that defendant is a "sophisticated company" which "knows, or should know" that the patent at issue had expired. Relator also alleged that defendant continued to mark its product with the expired patent "for the purpose of deceiving the public into believing" that the product is protected by a patent and that such "false marking * * * is likely to * * * deter persons and companies from commercializing competing products."

Defendant filed a motion to dismiss the complaint for failure to state a claim, arguing that the allegations in the complaint were insufficient to plead a claim for intent to deceive under Fed. R. Civ. P. 8(a) & 9(b).

In a brief docket entry, dated August 25, 2010, the district court denied defendant's motion to dismiss "[f]or the reasons explained by this Court in *Simonian v. Oreck*, No. 10-1224 (N.D. Ill. Aug. 23, 2010)." In that order, where the same relator had brought a similar action against the Oreck Corporation, the court noted that "[t]he parties agree that Rule 9(b) applies to a complaint alleging false patent marking." Regarding whether the relator there had sufficiently alleged deceptive intent, the court pointed out that the complaint "specifically" stated that the patents at issue "are expired and falsely marked on products, and that defendants had knowledge that these patents were expired and therefore the marks are false." *Oreck*, Slip Op. at 8 (*citing Pequignot v. Solo Cup Co.*, 608 F.3d 1356, 1362-63 (Fed. Cir. 2010)) ("[t]he combination of a false statement and knowledge that the statement was false creates a rebuttable presumption of intent to deceive the public, rather than irrebuttably proving such intent"). The court in *Oreck* stated that "[b]y alleging that defendants had knowledge of their false marking and that the marks were false creates [sic] a rebuttable presumption of deceptive intent." *Id.* Thus, the *Oreck* court concluded that "defendants have sufficiently, albeit generally, alleged deceptive intent," and, therefore, the court denied defendant's motion to dismiss in *Oreck*, as it did here.

Defendant then filed the instant petition for writ of mandamus, and this Court ordered a response.[2]

ARGUMENT

1. The False Marking Statute has two requirements for liability: (1) marking an "unpatented" item as patented; and (2) an intent to deceive the public with that mark. *See* 35 U.S.C. § 292(a). *See also Forest Group, Inc. v. Bon Tool Co.*, 590 F.3d 1295, 1300 (Fed. Cir. 2009); *Clontech Labs, Inc. v. Invitrogen Corp.*, 406 F.3d 1347, 1352 (Fed. Cir. 2005). This Court has held that an article covered by an expired patent, as alleged here, is "unpatented" for purposes of § 292. *See Pequignot v. Solo Cup Co.*, 608 F.3d 1356, 1361 (Fed. Cir. 2010). By alleging that the patents at issue in the case are expired, relator has satisfied the pleading requirements for the first element of a false marking case.

The issue in this case is whether the relator adequately pled the second element, *i.e.,* that BP's marking of the unpatented object was done "for the purpose of deceiving the public." Initially, the question presented is the extent to which Rule 9(b) applies to false marking claims. In addition, if Rule 9(b) does apply, what level of specificity is required to plead intent to deceive? Do relator's allegations that defendant is a "sophisticated company" which "knows, or should know" that the patent at issue had expired, and that defendant continued to mark its product with the expired patent "for the purpose of deceiving the public into believing" that the product is protected by patent, suffice to plead intent to deceive under Rule 9(b)?

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[2] The United States limits its *amicus* filing to the Rule 9(b) issue, and does not take a position on whether the requisites for seeking mandamus relief have been satisfied. *See, e.g., Cheney v. U.S. District Court for the Dist. Of Columbia*, 542 U.S. 367, 380-81 (2004).

2. This Court has not ruled on whether Rule 9(b) applies to false marking claims.[3] The district courts that have addressed the issue are divided on the subject, but the recent trend is to apply the Rule.[4] Because these actions "sound in fraud," the

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[3] The Court recently remanded a case to the trial court for a determination whether the heightened pleading requirement under Rule 9(b) applied to the "intent to deceive" element of section 292. *See Stauffer, supra*, 2010 WL 3397419, at * 6.

[4] *See Hollander v. Etymotic Research, Inc.*, Civ. No. 10-526, 2010 WL 2813015, at *7 (E.D. Pa. July 14, 2010) ("[t]he Court is persuaded by the law of other district courts holding that false marking claims are fraud-based claims subject to Rule 9(b)'s heightened pleading standards"), *citing Juniper Networks v. Shipley*, No. 09-0696, 2009 WL 1381873, *4 (N.D. Cal. May 14, 2009) ("[t]he false marking statute is a fraud-based claim, which is subject to the pleading requirements of Federal Rule of Civil Procedure 9(b)"); *Simonian v. Cisco Sys., Inc.*, Civ. No. 1306, 2010 WL 2523211, *3 (N.D. Ill. June 17, 2010) ("[a]ccordingly, the Rule 9(b) pleading standard applies to [defendant's] false marking claim"); *McNamara v. Natural Organics, Inc.*, No. 10-3544, 2010 WL 3521850, * 1 (N.D. Ill., September 01, 2010) (the "Court "aligns itself with those courts that have applied Fed.R.Civ.P. 9(b) standards to Section 292(b) complaints. That statute invalidates false patent marking 'for the purpose of deceiving the public' - - a quintessential claim of fraud, with its tightened standard of pleading"); *Brinkmeier v. BIC Corp.*, No. 09-860, 2010 WL 3360568, at * 8 (D. Del., Aug. 25, 2010) (same). *But see Astec Am., Inc. v. Power-One, Inc.*, No. 6:07-cv-464, 2008 WL1734833 at *9 (E.D. Tex. Apr. 11, 2008) (denying a motion to dismiss a false marking claim for failure to plead with

stronger argument is that the pleading requirements of Rule 9(b) should apply in such cases and should be followed here.

This position is followed by the courts, including this Court, in several analogous areas of the law where fraud is alleged. For example, in an another aspect of patent law, this Court has held that allegations of "deceptive intent" in inequitable conduct patent cases must be pled pursuant to Rule 9(b). *See Exergen Corp. v. Wal-Mart Stores, Inc.*, 575 F.3d 1312, 1325-31 (Fed. Cir. 2009). The elements of inequitable conduct are very similar to the elements of false marking - - both require (i) a material misrepresentation and (ii) an intent to deceive. *See Star Scientific, Inc. v. R.J. Reynolds Tobacco Co.*, 537 F.3d 1357, 1365 (Fed. Cir. 2008); *Forest Group,* Inc., 590 F.3d at 1300. Because the elements of the inequitable conduct defense and a false marking cause of action align, it logically follows that the pleading requirements for the two should align as well. Moreover, the reasoning of the *Exergen* Court in applying Rule 9(b) in inequitable conduct cases, *i.e.,* the desire to avoid frivolous litigation, is equally applicable in false marking cases. *See Exergen,* 575 F.3d at 1331 (applying Rule 9(b) "lest inequitable conduct devolve into 'a magic incantation to be asserted against every patentee'") (citation omitted).

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particularity); *Third Party Verification, Inc. v. Signaturelink, Inc.*, 492 F.Supp.2d 1314, 1327 (M.D. Fla. 2007) ("[t]here is no case law that has required Rule 9 level of pleading to claims for false marking.").

Further, this Court has emphasized that the bar for *proving* deceptive intent under § 292(a) is particularly high, given that the statute is a criminal one, albeit one punishable only by a civil fine. *See Pequignot*, 608 F.3d at 1363. This Court also has stated that "[b]ecause the statute requires that the false mark be affixed and displayed 'for the purpose of deceiving the public,' a purpose of deceit, rather than simply knowledge that a statement is false is required." *Id.* These rulings strongly support the argument that the pleading requirements of Rule 9(b) should be followed in false marking cases as well.

Significantly, the rule is followed in another class of *qui tam* actions, those brought on behalf of the United States pursuant to the False Claims Act. 31 U.S.C. § 3729, *et seq.* (FCA).[5] There is no sound reason that the law regarding Rule 9(b) brought in *qui tam* actions under § 292 should be different than in *qui tam* actions brought pursuant to the FCA. Indeed, it is in the interest of all concerned that the practice in these comparable areas of the law be consistent.

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[5] *See United States ex rel. Clausen v. Lab. Corp. of Am.*, 290 F.3d 1301, 1309-10 (11th Cir. 2002) (noting "it was 'well settled' and 'self-evident' that the False Claims Act is 'a fraud statute' for the purposes of Rule 9(b)") (citation omitted). *See also Bly-Magee v. California*, 236 F.3d 1014, 1018 (9th Cir. 2001) ("[t]he [False Claims Act] is an anti-fraud statute * * *.[C]omplaints brought under the [Act] must fulfill the requirements of Rule 9(b)") *United States ex rel. Russell v. Epic Healthcare Mgmt. Group*, 193 F.3d 304, 308 (5th Cir. 1999) (same); *Harrison v. Westinghouse Savannah River Co.*, 176 F.3d 776, 783-84 (4th Cir. 1999) (same); *United States ex rel. LaCorte v. SmithKline Beecham Clinical Labs., Inc.*, 149 F.3d 227, 234 (3d Cir. 1998) (same); *Gold v. Morrison-Knudsen Co.*, 68 F.3d 1475, 1476 (2d Cir. 1995) (same).

Rule 9(b) is also applied in the securities law context. *See, e.g., In re Morgan Stanley Information Fund Securities Litigation*, 592 F.3d 347, 358 (2d Cir. 2010) ("[w]here the claims are premised on allegations of fraud, the allegations must satisfy the heightened particularity requirements of Rule 9(b) of the Federal Rules of Civil Procedure"); *ACA Fin. Guar. Corp. v. Advest, Inc.*, 512 F.3d 46, 68 (1st Cir. 2008) (noting the specificity requirement when the claim is grounded in fraud); *Wagner v. First Horizon Pharm. Corp.*, 464 F.3d 1273, 1277 (11th Cir. 2006) (discussing the specificity requirement in cases which involve fraud).

In short, as in comparable areas of the law 'sounding in fraud," including the analogous area of patent law, in *qui tam* actions brought under the False Claims Act, and securities law, Rule 9(b)'s heightened pleading requirements should be applied in false marking cases.

3. Assuming that Rule 9(b) applies in these cases, the next question is what degree of specificity should be required in false marking cases in alleging intent to deceive under Rule 9(b), especially in light of the rule's statement that "[m]alice, intent, knowledge, and other condition of mind of a person may be averred generally." Fed. R. Civ. P. 9(b).

This Court has stated with regard to Rule 9(b) that "[a]lthough 'knowledge' and 'intent' may be averred generally, our precedent, like that of several regional circuits, requires that the pleadings allege sufficient underlying facts from which a court may reasonably infer that a party acted with the requisite state of mind." *Exergen*, 575 F.3d at 1327. *See, e.g., Tricontinental Indus., Ltd. v. PricewaterhouseCoopers, LLP*, 475 F.3d 824, 833 (7th Cir. 2007) ("[U]nder Rule 9(b) * * * the complaint 'must still afford a basis for believing that plaintiffs could prove scienter'") (citation omitted). The courts have emphasized that "the relaxation of Rule 9(b)'s specificity requirement for *scienter* must not be mistaken for [a] license to base claims of fraud on speculation and conclusory allegations." *Shields v. Citytrust Bancorp, Inc.*, 25 F.3d 1124, 1128 (2d Cir. 1994) (quotation marks and citations omitted).

In the securities fraud area, the courts have stated that "[a]lthough Rule 9(b) expressly allows *scienter* to be 'averred generally,' simple allegations that defendants possess fraudulent intent will not satisfy Rule 9(b)." *Melder v. Morris*, 27 F.3d 1097, 1102 (5th Cir. 1994). "The plaintiffs must set forth specific facts supporting an inference of fraud." *Id.* "Alleged facts are sufficient to support such an inference if they either (1) show a defendant's motive to commit securities fraud or (2) identify circumstances that indicate conscious behavior on the part of the defendant."

Herrmann Holdings Ltd. v. Lucent Techs. Inc., 302 F.3d 552, 565 (5th Cir. 2002) (internal quotations omitted). "If the facts pleaded in a complaint are peculiarly within the opposing party's knowledge, fraud pleadings may be based on information and belief. However, this luxury must not be mistaken for license to base claims of fraud on speculation and conclusory allegations." *Tuchman v. DSC Commc'ns Corp.*, 14 F.3d 1061, 1068 (5th Cir. 1994) (internal quotations and citation omitted).

Likewise, in the FCA context, where *scienter* is required, the courts recognize the more relaxed pleading requirement for alleging state of mind. *See United States ex rel. Willard v. Humana Health Plan of Texas Inc.*, 336 F.3d 375, 384 (5th Cir. 2003) (the "second sentence of Rule 9(b) 'relaxes the particularity requirement for conditions of the mind, such as *scienter*'") (citation omitted). Therefore, the traditional requisites for pleading fraud with particularity under the FCA, often referred to as the "who, what, when, where, and how" of the alleged fraud, are not required when pleading *scienter*, which is governed by the more "relaxed" pleading standards regarding intent under Rule 9(b). *Id. See also Totten v. Bombardier Corp.*, 286 F.3d 542, 552 (D.C. Cir. 2002) (drawing distinction between the element of fraud, which must be pled with particularity, and the element of *scienter*, which may be pled generally).[6] Similarly, under the False Marking statute, the first requisite of the statue, *i.e.*, "marking," must be pled with particularity, while the second element, intent to deceive, at issue here, can be "averred generally" under Rule 9(b).

Nevertheless, even under the relaxed pleading requirements for intent of Rule 9(b), the courts still insist that an FCA relator "'must set forth specific facts that support an inference of fraud.'" *Willard*, 366 F.3d at 384-85 (*quoting Tuchman*, 14 F.3d at 1068). *See also Wood ex rel. U.S. v. Applied Research Associates, Inc.*, 328 Fed. Appx. 744, 747 (2d Cir. 2009) ("although Rule 9(b) permits knowledge to be averred generally, we have repeatedly required plaintiffs to plead the factual basis which gives rise to a strong inference of fraudulent intent. Essentially, while Rule 9(b) permits *scienter* to be demonstrated by inference, this must not be mistaken for license to base claims of fraud on speculation and conclusory allegations. An ample factual basis must be supplied to support the charges").

Consistent with the practice in these other analogous areas of the law, therefore, the standard for alleging intent to deceive, although subject to the more lax standard for pleading intent under Rule 9(b), must still allege "sufficient underlying facts from which a court may reasonably infer that a party acted with the requisite state of mind," as in the inequitable conduct context (*see Exergen*, 575 F.3d at 1327), and "must set forth specific facts supporting an inference of fraud," as in the area of securities fraud and the FCA context (*see Melder*, 27 F.3d at 1102; *Williard*, 336 F.3d at 385).

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[6] This Court has taken a similar approach in inequitable conduct cases, distinguishing the requisites for pleading a "material misrepresentation or omission committed before the PTO," which "requires identification of the specific who, what, when, where, and how," from the requirement for pleading intent, which may be "averred generally." *See Exergen*, 575 F.3d at 1327.

4. This discussion raises the question presented here, *i.e.,* whether relator's allegations in this case meet the standard set forth above. More specifically, may a *qui tam* relator satisfy Rule 9(b) merely by pleading that the accused devices were falsely marked and that the defendant "knew, or should have known," that the patents at issue had expired, as is generally pled in such cases, and as relator pled here. There is currently a split among district courts (and sometimes within the same court) on this question.[7] The cases that have held such allegations to be sufficient reasoned that

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[7] *See Simonian v. Mead Westvaco Corp.*, Case No. 10-C-1217, Docket No. 23 (N.D. Ill., June 3, 2010); *Shizzle Pop, LLC v. Wham-O Inc.*, CV No. 10-3491-PA, 2010 WL 3063066, at *4 (C.D. Cal. Aug. 2, 2010); *Hollander v. Etymotic Res. Inc.*, Civ. No. 10-256, 2010 WL2813015, at *6 (E.D. Pa. July 14, 2010); *Brinkmeier v. Graco Children's Prods., Inc.*, 684 F. Supp. 2d 548, 533 (D. Del. 2010) (Brinkmeier I) (same); *Brinkmeier v. BIC Corp.*, --- F. Supp. 2d ---, 2010 WL 3360568 (D. Del. 2010) (Brinkmeier II); *Inventorprise, Inc. v. Target Corp.*, No. 09-CV-00380, 2009 WL 3640076, at *6 (N.D.N.Y. Nov. 2, 2009) (cases dismissed for failure to plead deceptive intent with sufficient particularity where allegations were similar to those pled here). *But see Patent Compliance Grp, Inc. v. Interdesign, Inc.*, Case No. 3:10-CV-0404-P, Docket No. 22 at 18 (N.D. Texas June 28, 2010); *Simonian v. Adv. Vision Research*, Case No. 10-CV-1310, Docket No. 30 (N.D. Ill. August 13, 2010); *Simonian v. Cisco Sys., Inc.*, 10-C-1306, 2010 WL 3019964, at *1-2 (N.D. Ill. July

sophisticated companies that are experienced in patent prosecution permit an inference of defendants' knowledge that the patent had expired and that the accused objects were consequently unpatented. *See Patent Compliance Grp., Inc., supra*; *Simonian v. Adv. Vision Research, supra.* In these cases, the courts have held that such an inference was sufficient to create a rebuttable presumption of intent to deceive, and satisfy the pleading requirements of Rule 9(b). *Id.*

In cases where motions to dismiss for failure to meet the heightened pleading requirements of Rule 9(b) were granted, the courts have held the defendant's knowledge of the limited duration of patents did not create an inference that the defendant actually knew that the patents at issue had expired or that creating new product packaging did not create a reasonable inference that the defendant knew that the patent had expired. These courts have the better rationale and should be followed here. *See Hollander v. Etymotic Research, Inc.*, Civ. No. 10-526, 2010 WL 2813015, at *6 (E.D. Pa. July 14, 2010) ("[t]hose allegations do not sufficiently articulate knowledge of falsity or intent to deceive because Defendant's knowledge of the limited duration of patents and the actual expiration of the patents do not create an inference that Defendant knew that the patents at issue actually expired"); *Juniper*

29, 2010) (cases finding complaint sufficient under Rule 9(b) in that defendants had expertise and experience with patents and patent portfolio management). *See* BP Pet. at 4-6 for more detail regarding these cases.

Networks v. Shipley, No. 09-0696, 2009 WL 1381873, *4 (N.D. Cal. May 14, 2009) ("Juniper's conclusory allegations that Shipley 'knew' his reference to the patents was 'false' are thus insufficient to plead an intent to deceive under section 292(a)"); *McNamara v. Natural Organics, Inc.*, No. 10-3544, 2010 WL 3521850, * 1 (N.D. Ill., September 01, 2010) ("the 'information and belief' allegation of intent to deceive now set out in FAC ¶ 37 does not cut it"); *Brinkmeier v. BIC Corp.*, No. 09-860, 2010 WL 3360568, at *10 (D. Del., Aug. 25, 2010) ("allegations that BIC is sophisticated and employs experienced counsel do not suggest intent to deceive").

Bare bones allegations that a defendant is a "sophisticated company" which "knows, or should know" that the patent at issue had expired, such as pled here, are insufficient to satisfy Rule 9(b)'s pleading standard, even under its relaxed standard for pleading intent. Such conclusory pleadings do not "allege sufficient underlying facts from which a court may reasonably infer that a party acted with the requisite state of mind." *See Exergen*, 575 F.3d at 1327.

Several reasons support the courts that have held that such bare-bones boilerplate allegations are insufficient. First, § 292 does not impose strict liability upon holders of expired patents. Rather, it requires proof of intent to deceive the public. *See Pequignot*, 608 F.3d at 1363. *See also Clontech* , 406 F.3d at 1352. A holding that merely alleging the existence of an expired patent on the part of a "sophisticated" company satisfies Rule 9(b) would effectively write the intent requirement out of the statute and, instead, impose something akin to strict liability where Congress did not choose to impose such liability. Second, if an allegation that a defendant "should have known" that a patent had expired was held to be sufficient, it would expand such actions to include mere negligence, where again Congress designed the statute only to create liability for intentional actions. After all, an expired patent is just as likely to be the result of inattention as an intent to deceive, and additional facts are necessary to distinguish whether the defendant acts were intentional or inadvertent. *See Brinkmeier v. BIC Corp.*, *supra*, 2010 WL 3360568, at *11("the presence of expired patents on Bayer's products could be a simple oversight"). BP correctly posits that "the district court's decision would improperly turn every allegedly mismarked label by a 'sophisticated company' into a false marking case." *See* BP Petition at 21.

This is not to say that the factual allegations supporting intent to deceive must be extensive. A factual allegation that the patent holder sued a third party for infringement of the patent at issue after the patent expired or made multiple revisions of the marking after the patent's expiration, for example, could be sufficient to support an allegation of intent to deceive. *See, e.g., Brinkmeier v. Graco Children's Products Inc.*, 684 F. Supp. 2d 548, 553, n.5 (D. Del. 2010). However, the particularity requirement of Rule 9(b) requires that to adequately plead a violation of § 292(a), the relator must allege facts that specifically elevate the behavior of the defendant to the level of an inference of intent to deceive rather than mere negligence.

Congress has determined, in the explicit language of the statute, that false marking under 35 U.S.C. § 292(a) should be found and punished only in those cases where there was an actual intent to deceive. Requiring a factual allegation supporting an intent to deceive, as opposed to and distinguishable from mere negligence, will support the integrity of the law and preserve the legislature's intentions by curtailing law suits lacking sufficient allegations of intentionality. Such an approach also supports the efficiency of the judicial system by curtailing lawsuits that are little more than "fishing expeditions" by potential relators seeking expired patent markings as a basis for initiating a lawsuit without any evidence of an intent to deceive.

The approach urged here would bring some degree of uniformity in this area where conflicting district court decisions have sown confusion and encouraged venue shopping. It would also impart consistency on these actions bringing them more in line with the jurisprudence in securities fraud litigation, inequitable conduct patent cases, and FCA actions.

5. The United States, however, does differ with one argument set forth in the mandamus petition. Petitioner contends that the complaint in this case is insufficient

because relator fails to identity a specific individual or individuals who are responsible for the false markings and who consequently have the requisite deceptive intent. *See* BP Petition at 19. Petitioner analogizes to this Court's holdings with respect to inequitable conduct, which require that specific individuals be named. *See, e.g. Exergen*, 575 F.3d at 1329. However, specific individuals involved in the prosecution of a patent are relatively easy to identify (as is the case in FCA actions where whistleblower insiders have intimate knowledge of corporate activities), whereas those corporate officials involved in alleged false marking may be more difficult for an individual outside the corporation to name. A stringent requirement that specific individuals be named would unduly hamper the ability of relators to bring legitimate false marking cases. Further, the particularity standard of Rule 9(b) may be relaxed in cases when "essential information lies uniquely within another party's control." *See Exergen* at 1330-31. Therefore, the government urges the Court not to adapt petitioner's argument in this regard.

CONCLUSION

For the foregoing reasons, with the exceptions noted, and assuming *arguendo* that the petition otherwise meets the requisites for mandamus relief, the petition should be granted.

Respectfully submitted,

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RULE 32(a)(7)(C) CERTIFICATE

I hereby certify that the foregoing Brief for the United States as *amicus* complies with the type-volume limitations of Federal Rule of Appellate Procedure 32(a)(7)(B). The brief is composed in 14-point proportional typeface, Times New Roman. As calculated by my word processing software, the brief contains 4,823 words.

Steve Frank

Steve Frank

STEVE FRANK
Counsel for United States

CERTIFICATE OF SERVICE

I hereby certify that on October 20, 2010, I caused an original and eleven copies of the foregoing brief to be served by hand-delivery on the Clerk of the United States Court of Appeals for the Federal Circuit, and a copy to be served by Federal Express overnight mail upon the following:

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IN THE UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF PENNSYLVANIA

JANE HIRSCHHORN,	)	
Plaintiff/Relator	)	
v.	)	2:10-CV-1156-JF
CHURCH & DWIGHT CO., INC.,	)	
Defendant	)	

SAN FRANCISCO TECHNOLOGY, INC.,	)	
Plaintiff/Relator	)	
v.	)	2:10-CV-3918-JF
CHURCH & DWIGHT CO., INC.,	)	
Defendant	)	

[Proposed] ORDER

Upon consideration of "Church & Dwight's Motion in the Alternative to Dismiss or for a Rule to Show Cause" and any response thereto, it is hereby ORDERED that Defendant Church & Dwight's motion is GRANTED.

Plaintiff Hirschhorn's Complaint against Church & Dwight in the Eastern District of Pennsylvania (No. 10--08-cv-3918) is hereby DISMISSED WITH PREJUDICE and without leave to amend.

Plaintiff San Francisco Technology, Inc.'s Complaint against Church & Dwight (No. 10-cv-1156) is hereby DISMISSED WITH PREJUDICE and without leave to amend .

Dated: ______________________ ______________________________
JOHN P. FULLAM, U.S.D.J.

IN THE UNITED STATES DISTRICT COURT
FOR THE EASTERN DISTRICT OF PENNSYLVANIA

JANE HIRSCHHORN,	)	
Plaintiff/Relator	)	
v.	)	2:10-CV-1156-JF
CHURCH & DWIGHT CO., INC.,	)	
Defendant	)	

SAN FRANCISCO TECHNOLOGY, INC.,	)	
Plaintiff/Relator	)	
v.	)	2:10-CV-3918-JF
CHURCH & DWIGHT CO., INC.,	)	
Defendant	)	

[Proposed Alternate] ORDER

Upon consideration of "Church & Dwight's Motion in the Alternative to Dismiss or for a Rule to Show Cause" and any response thereto, it is hereby ORDERED that Defendant Church & Dwight's motion is GRANTED in part.

Plaintiff Hirschhorn and Plaintiff San Francisco Technology, Inc. are each hereby ORDERED TO SHOW CAUSE within 14 days as to why their complaints should not be dismissed in favor of that of the other plaintiff.

Defendant Church & Dwight's motion to dismiss is DENIED WITHOUT PREJUDICE to refile after the Court's response to the plaintiffs' having shown cause.

Dated: ______________________

____
JOHN P. FULLAM, U.S.D.J.

CERTIFICATE OF SERVICE

I certify that today I served the following documents:

Church & Dwight's Motion to Dismiss or for a Rule to Show Cause

Church & Dwight's Memorandum of Law in Support of Its Motion to Dismiss or for a Rule to Show Cause

Exhibit A

[Proposed] Order

[Proposed Alternate] Order

Certificate of Service

upon the following person via the Court's ECF system in *San Francisco Technology, Inc., v. Church & Dwight Co., Inc.*, E.D.Pa. no. 2:10-cv-3918-JF:

San Francisco Technology, Inc.
c/o Katherine Isard, Esq. & Robert A. McKinley, Esq.
Klehr Harrison Harvey Branzburg LLP
1835 Market Street
Philadelphia, PA 19103
mckinley@klehr.com

and upon the following person via the Court's ECF system in *Hirschhorn v. Church & Dwight Co., Inc.*, E.D. Pa. no. 2:10-cv-1156-JF:

Jane Hirschhorn
c/o Aaron J. Freiwald, Esq.
Layser & Freiwald, P.C.
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Dated: *October 25, 2010* /s *Robert W. Ashbrook Jr.*